Nova Scotia

ANNUAL REPORT

for the fiscal year
ending March 31, 1988

Nova Scotia Lottery Commission

91-00954/

954/

His Honour
The Honourable Lloyd R. Crouse, P.C.
Lieutenant-Governor of the
Province of Nova Scotia
Government House
Halifax, Nova Scotia

Dear Sir:

I have the honour to transmit herewith the Annual Report of the Nova Scotia Lottery Commission for the fiscal year ended March 31, 1988.

I am, Your Honour,

Yours sincerely,

Greg Kerr

Greg Kerr
Minister

The Honourable Greg Kerr
Minister in Charge of
Administration of
The Lottery Act
Province of Nova Scotia
Halifax, Nova Scotia

Dear Sir:

Presented herewith in accordance with Section 15(1) of The Lottery Act, 1976, c.14, s.1, is the Annual Report of the Nova Scotia Lottery Commission for the year ending March 31, 1988.

Respectfully submitted,

D.T. Tobin, C.A.
Chairman

CHAIRMAN'S REPORT

As Chairman of the Nova Scotia Lottery Commission it is indeed a pleasure to report that revenues totalled $27,454,032 for the fiscal year ending March 31, 1988.

Of this amount, in excess of $26 million was generated from the sale of lottery tickets by the Atlantic Lottery Corporation and $1.3 million through the licensing of bingo, ticket lotteries, and games of chance.

This year the Atlantic Lottery Corporation began its second decade of operation. The Corporation was created with a mandate to develop, organize, initiate, and manage lotteries on behalf of the Atlantic Provinces and this year sales approached the $200-million mark.

Nova Scotia is represented on the Board of Directors of the Atlantic Lottery Corporation by Louis Stephen, Deputy Minister of Housing, and myself.

The Lottery Licensing Division of the Commission issued 2,361 permits (authorizing charitable groups to conduct ticket raffles with prizes under $150) plus 2,359 licences during the year.

The number of charitable groups involved in the Breakopen Program doubled during the year with 121 organizations being licensed. A total of 2,441 ticket units were sold resulting in $537,020 being realized for various community programs and projects.

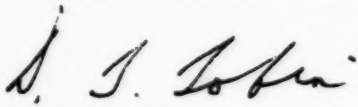
During this reporting period $346,163 in bonus commissions were paid to sport, cultural, and exhibition groups in the province on sales of A-Plus and Provincial lottery tickets.

A comprehensive study and re-evaluation of Nova Scotia's lottery regulations commenced during this year.

The Commission also initiated a more detailed and comprehensive inspection process to ensure licensees were operating in accordance with the regulations, policies, and conditions established by the Commission.

The following papers contain the audited financial statements of the Nova Scotia Lottery Commission for the fiscal year ended March 31, 1988.

Respectfully Submitted



D.T. Tobin, C.A.
Chairman

AUDITOR'S REPORT

To the Chairman and Members of the
Nova Scotia Lottery Commission and to the
Minister of Finance

I have examined the balance sheet of the Nova Scotia Lottery Commission as at March 31, 1988 and the statement of revenues and expenses for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1988 and the results of its operations for the year then ended in accordance with the accounting policies set out in Note 2 of the financial statements, applied on a basis consistent with that of the previous year.

O.P. Cormier, F.C.A.
Auditor General

Halifax, Nova Scotia
August 25, 1988

PROVINCE OF NOVA SCOTIA
NOVA SCOTIA LOTTERY COMMISSION
BALANCE SHEET
AS AT MARCH 31, 1988

ASSETS

	1988	1987
Current		
Cash	$ 29,036	$ 12,086
Due from Atlantic Lottery Corporation Inc.	2,311,602	1,916,398
	2,340,638	1,928,484
Long-term		
Due from Atlantic Lottery Corporation Inc.	1,294,344	253,012
Investment in Interprovincial Lottery Corporation, at cost (Note 3)	1	1
	1,294,345	253,013
	$3,634,983	$2,181,497

LIABILITIES AND EQUITY

Current		
Accounts payable	$ 326,648	$ 278,761
Commissions payable	99,405	121,836
Due to Province of Nova Scotia (Note 4)	1,914,586	1,527,888
	2,340,639	1,928,485
Equity		
Fixed assets of Atlantic Lottery Corporation Inc.	1,294,344	253,012
	$3,634,983	$2,181,497

APPROVED ON BEHALF OF THE BOARD

Chairman Member

PROVINCE OF NOVA SCOTIA
NOVA SCOTIA LOTTERY COMMISSION
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 1988

	1988	1987
Revenues		
Income from Atlantic Lottery Corporation Inc.	$26,141,768	$26,208,307
Income from lottery licences	1,298,206	1,165,916
Interest on short-term deposits	14,058	40,842
	27,454,032	27,415,065
Expenses		
Commissions on ticket sales	343,188	380,289
Miscellaneous	2,857	1,301
Motor vehicle expenses	19,951	13,811
Office equipment	7,024	6,443
Postage	6,076	8,076
Rent	18,741	21,542
Salaries and employees' benefits	231,142	185,959
Supplies	6,365	11,237
Telephone and telegraph	6,018	5,389
Travel	28,022	24,874
Property and occupancy tax	744	567
	670,128	659,488
Excess of revenues over expenses	26,783,904	26,755,577
Less: Income from lottery licences collected directly by Province of Nova Scotia	1,298,206	1,165,916
Net revenue due to the Province	$25,485,698	$25,589,661

PROVINCE OF NOVA SCOTIA
NOVA SCOTIA LOTTERY COMMISSION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1988

1. Authority

The Nova Scotia Lottery Commission was established under the Lottery Act proclaimed in 1976. The purpose of the Commission is to develop, organize, undertake, conduct and manage lottery schemes on behalf of the Province of Nova Scotia, or on behalf of the Province of Nova Scotia and other provinces that have an agreement with Nova Scotia respecting any such lottery schemes.

2. Accounting Policy

These financial statements have been prepared in accordance with generally accepted accounting principles modified by the policy of charging equipment purchases to expense in the year of acquisition.

3. Interprovincial Lottery Corporation

The Interprovincial Lottery Corporation was created by the provinces to administer the Provincial, Super Loto and Loto 649 lotteries. The Nova Scotia Lottery Commission holds one share in this Corporation on behalf of the Province of Nova Scotia.

4. Due to Province of Nova Scotia

	1988	1987
Balance, beginning of year	$ 1,527,888	$ 1,355,227
Add: Net revenue due to the Province	25,485,698	25,589,661
	27,013,586	26,944,888
Less: Payments to the Province	25,099,000	25,417,000
Balance, end of year	$ 1,914,586	$ 1,527,888